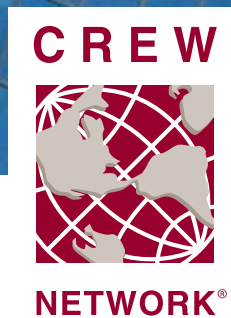


CREW NETWORK

WOMEN IN
COMMERCIAL
REAL ESTATE



2010

EXECUTIVE SUMMARY

WOMEN IN COMMERCIAL REAL ESTATE: 2010 provides a portrait of the successes and challenges facing men and women within the commercial real estate industry today. This report builds on the groundbreaking WOMEN IN COMMERCIAL REAL ESTATE: 2005 study and provides insight into the trends impacting the industry over the past five years through an online survey of 2,901 male and female commercial real estate professionals representing numerous disciplines, and follow-up telephone interviews with selected respondents. The result is the most extensive research to date looking at compensation, career satisfaction, work-life balance, career advancement and other issues, differentiated by gender, within the commercial real estate industry. The hope is that this report will provide industry leaders with information to use in recruiting, retaining and advancing talent, as well as establish benchmarks for CREW Network, an organization made up of women and men commercial real estate professionals dedicated to influencing the success of the industry by advancing the achievements of women.

Selected Key Findings

The past five years have been anything but “normal” times. Indeed, today there are numerous calls for a “new normal.” Comparisons to 2005, therefore, are complicated by questions as to whether noticeable trends represent structural, sustainable change or are manifestations of short-term market conditions and adjustments. The following selected findings highlight some of the key insights from the full report.

Career Advancement

Respondents reported a 7% increase in women in their organizations from 2005 to the present, and it was the experienced 20+ year industry veterans and the new entrants with less than five years of work experience that fueled this 7% growth. Both men and women with six to 20 years of industry experience declined significantly as a percentage, raising the question of whether the recent recession has forced the mid-level professional out of the industry, as happened during the early 1990s real estate downturn. Market conditions have undeniably impacted men, as 70% of men who experienced a work absence of greater than three months were involuntarily laid off, compared to 52% of women. The question remains whether this trend offers women an opportunity to secure a higher position on the ladder or will be reminiscent of the “Rosie the Riveter” phenomenon during WWII, with men regaining these positions when the market returns.

It is interesting to note another difference in reasons for men’s and women’s work absences of greater than three months. Just 1% of men who took an absence of three months or more did so due to the birth of a child, while 21% of women cited a new child as the reason. Men were more likely than women to take extended time off to pursue education.

Compensation

Women had modest gains in compensation as higher percentages of women moved into the \$100,000 through \$250,000 annual compensation levels since 2005. Whereas only 8% of women surveyed in 2005 were at the \$250,000 level, by 2010 that figure had increased to 11%, while the percentage of men in the same compensation category had decreased from 34% to 31%. These findings regarding the narrowing of the compensation gap in commercial real estate mirror recent census data indicating that women earned 82.8% of the median weekly wage of men in 2009, which is the highest ever recorded, up from 76.1% just a decade earlier. While it is good to observe these compensation gains for women, one still wonders why equality remains an issue in 2010. Some theorists have proposed that men may be losing their jobs at a higher rate because their compensation is higher. Women, with lower salaries, may be more economical to keep. Also, it is possible that the positions of men have been cut in greater numbers and their salaries have diminished, particularly because at the higher levels, a greater portion of men’s compensation draws from various forms of variable compensation, such as bonus, commission and profit sharing, all of which have been affected adversely in the downturn.

Despite women's relative compensation gains, however, three times the number of men as women respondents are represented at the \$250,000 compensation level in 2010. Moreover, when compensation is analyzed considering both years of experience and age, a clear and troubling trend emerges: Women with the same years of experience as men are not represented equally in the highest pay levels, thus increasing the chance that this trend will continue unless employers make a concerted effort to address the issue of equity.

Dramatic changes in the sources of income occurred from 2005 to the present, as annual base salary went from 58% to 67% of the total, while long-term incentive compensation declined from 8% to 2%.

Success and Satisfaction in Commercial Real Estate

WOMEN IN COMMERCIAL REAL ESTATE: 2010 surveyed both perceptions of career success and levels of satisfaction, and despite declines from 2005 to 2010, 62% of men and 54% of women reported feeling *Very Successful* in their commercial real estate careers, and less than 2% of all respondents said they felt *Not at All Successful* in their careers.

Overall levels of satisfaction increased with years of experience and differed among areas of specialization, with women in *Asset/Property/Facilities Management* with 20+ years of experience reporting the highest levels of career satisfaction. Notably, only 27% of women with less than five years' experience reported feeling *Very Satisfied* with their level of career success and women in general lagged behind their male counterparts in career satisfaction among those with less than 10 years' work experience. Women catch up on career satisfaction with increasing years of experience, indicating that the larger challenges in terms of commercial real estate career satisfaction exist for women entering or early in their careers.

Success and satisfaction come together when plotting job characteristics according to those characteristics that generate the greatest satisfaction as well as those that are perceived to be of greatest importance. Not surprisingly, men and women share the opinion that *Co-worker Respect* and a *Challenging Job* are very important and that *Job Enjoyment* is key to satisfaction at work, yet real gender differences emerge when areas of high importance but low satisfaction are identified. *Maximize Earnings Potential* and *Disposable Income* topped the list for men, while *Level of Decision-making* and *Job Enjoyment* came first for women.

Work/Life Balance

Both men and women reported feeling slightly less satisfied with their work/life balance in 2010 than five years earlier, yet 92% still reported feeling *Somewhat Successful* or *Very Successful* in achieving a work/life balance. Those reporting to be most satisfied with their work/life balance were in *Brokerage/Sales/Leasing*, while professionals in *Financial/Professional Services* reported feeling least satisfied.

Management Dynamics in the Workplace

While men outnumber women in the commercial real estate industry, the report found interesting management and reporting dynamics when looking at gender relationships within commercial real estate organizations. Even though men significantly outnumber women in the industry, a remarkable 62% of female managers' direct reports were women, whereas only 45% of direct reports to male managers were women. Looking behind the numbers, it is clear that a much higher percentage of men work autonomously without direct reports.

Advancement

When asked to rate what they believed to be the most significant barriers to their career success, 2010 respondents rated *Lack of Promotion Opportunity* as the most significant hurdle. Women noted *Gender Discrimination* and *Constraints Resulting from Family/Parenting Responsibilities* as playing a larger role in inhibiting career success, whereas men noted *Lack of an Undergraduate Degree* and *Wrong/Poor Choice of Employer* as their greatest barriers. Both genders felt *Working Harder than Anyone Else* and *Working Smarter than Anyone Else*, as well as *Business Networking Activities*, led to their own past career success. Both men and women felt their future success would be influenced by *Effective Negotiation Skills*, *Business Development/Revenue Generation* and a *Relationship with Internal Senior Mentor*. Women noted that mentorship from an internal senior executive would play the most important role in their future career success (with 65% of women citing this as a major or secondary contributing factor).